

# ACTIVE PLAN UPDATE

Update to Your *Active Summary Plan Description*

November 2010

This Active Plan Update contains important information about your rights under the Motion Picture Industry Pension and Health Plans and under ERISA. Please keep it with your *Active Summary Plan Description* for future reference.

## Health Plan Changes Effective January 1, 2011

### Patient Protection and Affordable Care Act

Earlier this year, President Obama signed into law the Patient Protection and Affordable Care Act (Act) that will require changes to the Motion Picture Industry Health Plans (MPIHP) during the next several years. These changes were summarized in a letter MPIHP mailed to you on November 8, 2010.

Effective January 1, 2011, MPIHP will make the changes listed below to the Active Health Plan that the Act requires of grandfathered plans (see "Grandfathered Status" on page 3). Visit [www.mpiphp.org](http://www.mpiphp.org) to see answers to frequently asked questions about these health care reform changes.

### Medical Coverage for Dependent Children Will be Extended up to Age 26

Your dependent children up to age 26 may now be eligible for medical coverage through MPIHP, including coverage for medical and hospital care and prescription drugs. Coverage is not available if your child has access to medical coverage through his or her own employer.

You may enroll your eligible dependent children during a special enrollment period from November 15 to December 15, 2010. Coverage for newly-enrolled dependents will be effective January 1, 2011.

To enroll, complete the "Health Benefits Enrollment Form For Adult Dependents Up To Age 26" and the "Dependent Declaration" affidavit that were included with the letter you received from MPIHP in November, or download these forms by visiting [www.mpiphp.org](http://www.mpiphp.org) and clicking on "Health Care Reform" in the "FAQs" section on the left-hand side. You also may receive new forms by emailing [service@mpiphp.org](mailto:service@mpiphp.org), or by calling the Participant Services Center at 818.769.0007, extension 244.

**Please note:** While medical coverage will be extended to dependent children up to age 26, dental and vision coverage is not included. However, your dependent children are eligible for dental and vision coverage up to age 19 or to age 23 if a full-time student.

The process for enrolling full-time students up to age 23 will not change. Visit the

MPIHP website at [www.mpiphp.org](http://www.mpiphp.org) and click on "Eligibility" under "Your Forms" on the left-hand side to access the form to enroll a full-time student. You may also email [service@mpiphp.org](mailto:service@mpiphp.org) or call 818.769.0007, extension 244, and the form will be sent to you.

### Lifetime Medical Coverage Maximum Will be Removed

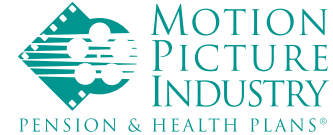
This change affects only the MPIHP/Blue Shield Active Plan, and it removes the \$2 million lifetime maximum. If your coverage or the coverage of one of your dependents in the MPIHP/Blue Shield Plan ended because you or your dependent reached the lifetime maximum, you or your dependent can re-enroll during a 30-day special enrollment period from November 15 to December 15, 2010. Coverage will become effective January 1, 2011.

### Certain Annual Dollar Limits Will be Removed

The annual limits on the following essential health benefits will be eliminated from the MPIHP/Blue Shield Active Plan, effective January 1, 2011:

- The \$300 annual limit for physicals performed by providers outside the Motion Picture and Television Fund service area; and
- The \$2,500 limit for temporomandibular joint (TMJ) services every two years.

These benefits will continue to be contingent on documented medical necessity.



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### MPIHP Participant Services Center

Email: [service@mpiphp.org](mailto:service@mpiphp.org)

California Office:  
818 or 310.769.0007, extension 244

Outside of Southern California:  
888.369.2007, extension 244

Hours: 7 a.m. to 5 p.m.

Address Changes  
Adding Dependents  
Benefits Changes  
Case Management  
Claims Inquiries  
Health Benefits  
Pension Benefit Estimate Statements  
Pension History Printouts  
Plan Enrollments  
Refund of Employee Contributions  
Retirement

*Office hours are Pacific Standard Time.*

Motion Picture Industry  
Pension and Health Plans  
[www.mpiphp.org](http://www.mpiphp.org)

### Other Web Sites of Interest

Blue Shield of California  
[www.blueshieldca.com](http://www.blueshieldca.com)

Medco  
[www.medco.com](http://www.medco.com)

Motion Picture & Television Fund  
[www.mptvfund.org](http://www.mptvfund.org)

### Participants, Please Take Note:

As a result of unique agreements associated with mergers of various Locals throughout the years, information reflected in this notice may not apply to all Participants.

# 2009 Summary Annual Reports

## FOR THE MOTION PICTURE INDUSTRY PENSION, INDIVIDUAL ACCOUNT AND HEALTH PLANS

*This is a summary of the Annual Reports for the Motion Picture Industry Pension Plan (the “Pension Plan”), E.I.N. 95-1810805, Plan No. 001; for the Motion Picture Industry Individual Account Plan (the “IAP”), E.I.N. 95-0030749, Plan No. 002; and the Motion Picture Industry Health Plans (the “MPIHP”), E.I.N. 95-6042583, Plan No. 501, for the year ended December 31, 2009.*

*These Annual Reports have been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).*

### **Basic Pension Plan Financial Statement**

Benefits under the Pension Plan are provided through insurance and through a trust fund. Pension Plan expenses were \$216,049,275, which included \$199,774,264 in benefits paid to or for participants and beneficiaries and \$16,275,011 in administrative expenses. A total of 70,965 persons were participants in or beneficiaries of the Pension Plan at the end of 2009, although not all of these persons had yet earned the right to receive benefits.

The value of Pension Plan assets, after subtracting liabilities of the Plan, was \$2,467,238,494 as of December 31, 2009, compared to \$2,124,800,876 as of January 1, 2009. During the Plan year, the Pension Plan experienced an increase in its net assets of \$342,437,618. This increase includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The Pension Plan had total income of \$558,486,893, including income from investments of \$330,445,327, employer contributions of \$176,142,379, realized gains of \$43,523,214 from the sale of assets and other income of \$8,375,973.

### **Minimum Funding Standards**

An actuary’s statement shows that enough money was contributed to the Pension Plan to keep it funded in accordance with the minimum funding standards of ERISA.

### **Basic Individual Account Plan (IAP) Financial Statement**

Benefits under the IAP are provided through a trust fund. IAP expenses were \$75,013,324, which included \$63,010,179 in benefits paid to or for participants and beneficiaries and \$12,003,145 in administrative expenses. A total of 69,198 persons were participants in or beneficiaries of the IAP at the end of 2009, although not all of these persons had yet earned the right to receive benefits.

The value of IAP assets, after subtracting liabilities of the Plan, was \$2,299,532,364 as of December 31, 2009, compared to \$1,928,387,237 as of January 1, 2009. During the Plan year, the IAP experienced an increase in its net assets of \$371,145,127. This increase includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The IAP had total income of \$446,158,451, including income from investments of \$400,642,683, employer contributions of \$162,848,989, realized losses of \$122,295,894 from the sale of assets and other income of \$4,962,673.

### **Health Plans Insurance Information**

MPIHP has contracts with The Union Labor Life Insurance Company, Private Medical Care, Inc., Kaiser Foundation Health Plan of California, Oxford Health Plans (NY), Inc., PacifiCare Behavioral Health of California, Health Net and Vision Service Plan to provide certain medical, dental, vision and life insurance benefits incurred under the terms of the Plans. The total premiums paid for the Plan year ended December 31, 2009, was \$61,721,169.

Because certain contracts are so called “experience-rated” contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the Plan year ended December 31, 2009, the premiums paid under such “experience-rated” contracts were \$1,869,557 and the total of all benefit claims paid under these experience-rated contracts during the Plan year was \$1,475,921.

### **Basic Health Plans Financial Statement**

The value of MPIHP assets, after subtracting liabilities of the Plans, was \$79,579,475 as of December 31, 2009, compared to \$114,317,379 as of January 1, 2009. During the Plan year, MPIHP experienced a decrease in its net assets of \$34,737,904. This decrease includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the Plan year, the plan had total income of \$531,544,260, including employer contributions of \$450,675,226, earnings from investments of \$64,082,711, participant contributions of \$7,966,532, realized gains of \$1,039,211 from the sale of assets and other income of \$7,780,580.

MPIHP expenses were \$566,282,164, which included \$541,213,542 in benefits paid to or for participants and beneficiaries and \$25,068,622 in administrative expenses.

## Your Rights to Additional Information

You have the right to receive copies of any or all of the full Annual Reports, or any part thereof, on request. The items listed below are included in the Reports:

1. An independent auditor's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Transactions in excess of 5% of the Plan assets;
5. Insurance information, including sales commissions paid by insurance carriers;
6. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the Plan participates;
7. Actuarial information regarding the funding of the Plan (Pension Plan only); and
8. Loans or fixed income obligations in default.

To obtain copies of the full Annual Reports, or any part thereof, write MPIPHP's Chief Financial Officer at 11365 Ventura Boulevard, Studio City, CA 91604-3148. The charge to cover copying costs will be \$15 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the Plan administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan administrator, these two statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the Reports because these portions are furnished without charge.

You also have the legally-protected right to examine the Annual Report at the main office of the Plan (11365 Ventura Boulevard, Studio City, CA 91604-3148) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the U.S. Department of Labor should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

## Special Enrollment Period Going On Now

November 15 to December 15, 2010

MPIHP will be offering a special enrollment period for Active Participants to give you time to take advantage of benefit changes pursuant to the Patient Protection and Affordable Care Act. The enrollment period will be November 15 to December 15, 2010. During this 30-day period, Participants can:

- Enroll your eligible dependent children up to age 26 for medical coverage if they do not have access to medical coverage through their own employer.
- Re-enroll in the MPIHP/Blue Shield Active Plan if your coverage or your dependent's coverage ended because you or they previously reached the lifetime maximum.

To enroll, complete the "Health Benefits Enrollment Form For Adult Dependents

Up To Age 26" and the "Dependent Declaration" affidavit that were included with the letter you received from MPIHP in November, or download new forms by visiting [www.mpiphp.org](http://www.mpiphp.org) and clicking on "Health Care Reform" in the "FAQs" section on the left-hand side. You also may receive new forms by emailing [service@mpiphp.org](mailto:service@mpiphp.org), or by calling the Participant Services Center at 818.769.0007, extension 244.

The "Dependent Declaration" affidavit certifies that your dependent child doesn't have access to medical coverage through his or her own employer.

Forms must be returned no later than December 15, 2010. Coverage elected during this special enrollment period will become effective January 1, 2011.

## Required Government Notices Regarding Your Health Plan Coverage

### *Patient Protection and Affordable Care Act*

#### Special Enrollment for Adult Children

Individuals whose coverage ended, who were denied coverage or who were not eligible for coverage because the availability of dependent coverage for children ended before age 26 under the Active Health Plan's dependent child coverage rules are eligible to enroll in MPIHP group medical plans. Individuals may request enrollment for such children during a special 30-day open enrollment, starting November 15, 2010. Enrollment will be effective January 1, 2011. For more information, contact the MPIHP Participant Services Center by emailing [service@mpiphp.org](mailto:service@mpiphp.org), or by calling 818.769.0007, extension 244.

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#### Grandfathered Status

MPIHP believes the Health Plans are "grandfathered health plans" under the Act. A grandfathered health plan can preserve certain basic health coverage that was already in effect when the law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Act that apply to other plans (for example, the requirement to provide preventive health services without any cost sharing). However, grandfathered health plans must comply with certain other consumer protections in the Act.

#### Elimination of Lifetime Maximum

The lifetime limit on the dollar value of benefits under MPIHP's medical plans no longer applies. Individuals whose coverage ended because they reached a lifetime limit under the plan are eligible to re-enroll in the plan. Individuals may request enrollment during a special 30-day open enrollment, starting November 15, 2010. Enrollment will be effective January 1, 2011. For more information, contact the MPIHP Participant Services Center by emailing

Questions about which protections apply to a grandfathered health plan and what might cause a plan to change from a grandfathered health plan status can be directed to the Employee Benefits Security Administration, U.S. Department of Labor, at 866.444.3272, or visit [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans. You may also contact the MPIHP Participant Services Center at 818.769.0007, extension 244.

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## WE THOUGHT YOU'D LIKE TO KNOW...

This newsletter contains important information about your rights under the Motion Picture Industry Pension and Health Plans and under ERISA. Please keep it with your *Summary Plan Description* for future reference.

### California Office (Main Office)

11365 Ventura Blvd., P.O. Box 1999  
Studio City, CA 91614-0999  
Main Phone 818 or 310.769.0007  
Outside So. California 888.369.2007  
Main Fax 818.766.1229

### New York Office

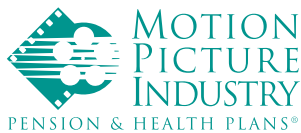
145 Hudson St., Suite 6A  
New York, NY 10013-2103  
Main Phone 212.634.5252  
Toll Free 888.758.5200  
Main Fax 212.634.4952

**Web site** [www.mpiphp.org](http://www.mpiphp.org)

*For Your Benefit* and the *Plan Update* are published for Motion Picture Industry Pension and Health Plans Participants.

Please send your comments and suggestions to:  
MPIPHP – Attn: *For Your Benefit*  
P.O. Box 1999  
Studio City, CA 91614-0999

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P.O. Box 1999, Studio City, CA 91614-0999

*Electronic Service Requested*



*Check out our website at*  
[www.mpiphp.org](http://www.mpiphp.org)

## Required Government Notices Regarding Your Health Care Coverage

*Continued from page 3*

### Special Enrollment Events

Special enrollment events allow you and your eligible dependents to enroll for health coverage outside the Open Enrollment period under certain circumstances. This is required under the Health Insurance Portability and Accountability Act (HIPAA).

If you decline enrollment in a MPIHP medical plan for you or your dependents (including your spouse or domestic partner) because of other health insurance coverage, you or your dependents may be able to enroll in a MPIHP medical plan without waiting for the next Open Enrollment period if you:

- Lose other coverage. You must request enrollment within 31 days after the loss of other coverage.
- Gain a new dependent as a result of marriage, birth, adoption or placement for adoption. You must request enrollment within 31 days after the marriage, birth, adoption or placement for adoption.

- Lose Medicaid or Children's Health Insurance Program (S-CHIP) coverage because you are no longer eligible. You must request enrollment within 60 days after the loss of such coverage.
- Gain eligibility for a state premium assistance program under Medicaid or S-CHIP. You must request enrollment within 60 days after you gain such coverage.

### Women's Health and Cancer Rights Act of 1998

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Prostheses;

- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this Plan. If you want more information on WHCRA benefits, contact the MPIHP Participant Services Center at 818.769.0007, extension 244.